

Economic Impact Statement
LSA Document #12-550

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**Summary of the Rule Amendment**

This memo is submitted in accordance with [IC 4-22-2.1](#), and formalizes Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning's (OMPP) analysis of the small business impact of the attached rule amendment. This rule amendment does the following:

- (1) defines a school corporation;
- (2) modifies prior authorization exceptions by allowing the Individualized Education Program (IEP) to serve as a prior authorization for IEP related nursing and transportation services when provided by a school corporation;
- (3) exempts IEP related transportation services from provider agreement requirements for transportation services;
- (4) provides coverage and reimbursement for IEP related nursing services when performed by a registered nurse employed by or under contract with a school corporation; and
- (5) provides coverage for IEP related transportation services.

The FSSA – OMPP finds that promulgating this rule amendment to permit Medicaid participating school corporations to bill and receive Medicaid reimbursement for transportation and nursing services provided to students with IEPs is necessary to bring the rule into compliance with current operant policy, as set out in the federally approved Medicaid state plan, which permits the state to claim federal match funds for designated services that would otherwise be funded with 100% state dollars.

Impact on Small Business

The following section provides responses to the following questions outlined in [IC 4-22-2.1-5](#):

1. An estimate of the number of small businesses, classified by industry sector that will be subject to the proposed rule.

[IC 5-28-2-6](#) defines a small business as a business entity that satisfies the following requirements:

- (1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.
- (2) The majority of the employees of the business entity work in Indiana.

The OMPP estimates that there are zero of a total of 293 public school corporations that are Medicaid certified and meet the criteria of [IC 4-22-2.1-4](#) as a small business.

2. An estimate of the average annual reporting, record keeping, and other administrative costs that small business will incur to comply with the proposed rule.

The OMPP estimates that there are no Medicaid participating public school corporations that meet the criteria of [IC 4-22-2.1-4](#) as a small business. The proposed rule changes will recognize school corporations as valid providers of nursing and transportation services so that the state can claim federal match funds for services that are currently reimburse with 100% state funds. The rule changes will result in net savings to the state.

3. An estimate of the total annual economic impact that compliance will have on small businesses subject to the rule.

Since there are no Medicaid participating public school corporations that meet the criteria of [IC 4-22-2.1-4](#) as a small business, the total economic impact of the rule changes is zero.

4. A statement justifying any requirement or cost that is imposed by the rule and not expressly required by law. The statement must reference any data, studies, or analyses relied upon by the agency in determining imposition of the requirement or cost is necessary.

This rule imposes no requirement or cost on small businesses.

5. Any regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the same purpose.

Other factors considered:

A. Establishment of less stringent compliance or reporting requirements for small businesses.

This rule has no impact on compliance or reporting requirements for small businesses.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

This rule has no impact on schedules or deadlines for compliance or reporting requirements for small businesses.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

This rule has no impact on compliance or reporting requirements for small businesses.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

This rule has no impact on performance or operational standards for small businesses.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

This rule imposes no additional requirements or cost on small businesses.

If there are any programmatic or fiscal questions, please contact Yvonne Burke at (317) 918-6308 or at yvonne.burke@fssa.in.gov. Questions regarding any other aspect of the proposed changes should be addressed to Kim Crawford at (317) 232-1244 or at kim.crawford@fssa.in.gov.

Please contact Kim Crawford at (317) 232-1244 or at kim.crawford@fssa.in.gov regarding IEDC's comments about this rule amendment. The public hearing will be scheduled after receiving authorization from Legislative Services Agency to do so. Ms. Crawford will then contact you to provide the date of the hearing for your convenience.

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